

**MINUTES OF THE
VINEYARD TOWN REDEVELOPMENT AGENCY
Vineyard Town Hall, 240 East Gammon Road, Vineyard, Utah
March 14, 2012 8:20 PM**

PRESENT:

Chairperson Randy Farnworth
Boardmember Sean Fernandez
Boardmember Jeff Gillespie
Boardmember Norm Holdaway
Boardmember Nathan Riley

ABSENT:

Staff Present: Water Operator Sullivan Love, Town Attorney David Church, Laura Lewis – Lewis, Young, Robertson & Burningham, Town Clerk/Recorder Dan Wright, Deputy Recorder Debra Cullimore.

Others Attending: Ed Grampp and Stewart Park of Anderson Development.

The Vineyard Redevelopment Agency Board held a meeting on Wednesday, March 14, 2012 starting at 8:20 p.m. in the Vineyard Town Hall, 240 East Gammon Road, Vineyard, Utah.

The meeting was called to order at 8:20 p.m.

MINUTES REVIEW AND APPROVAL – The Board reviewed the minutes of the meeting of March 7, 2012.

BOARDMEMBER GILLESPIE MOVED TO APPROVE THE MINUTES OF THE MEETING OF MARCH 7, 2012. BOARDMEMBER RILEY SECONDED THE MOTION. ALL PRESENT VOTED IN FAVOR. THE MOTION CARRIED UNANIMOUSLY.

BUSINESS ITEMS:

3.1 – Public Hearing - Discussion and Action - RDA Budget Amendments. *The RDA Board will hear public comment and possibly act to approve amendments to the 2011-2012 Vineyard Redevelopment Agency budget to reflect actual revenues received and anticipated bond revenues through the Vineyard Redevelopment Agency Tax Increment Revenue Bonds, Series 2012. Budget amendments will also reflect anticipated expenditures.*

BOARDMEMBER FERNANDEZ MOVED TO OPEN THE PUBLIC HEARING TO CONSIDER RDA BUDGET AMENDMENTS. BOARDMEMBER HOLDAWAY SECONDED THE MOTION. ALL PRESENT VOTED IN FAVOR. THE MOTION CARRIED.

Mr. Church explained that the RDA Board adopts an annual fiscal year budget which is a separate budget from the Town budget. When the 2011-2012 fiscal year budget was adopted in June 2011, tax increment and bond revenues had not been received. The proposed budget amendment is necessary due to receipt of tax revenues and anticipated bond revenue. The amended budget will be valid through June 30, 2012 with the 2012-2013 fiscal year budget taking effect on July 1, 2012.

Chairperson Farnworth called for public comment on proposed budget amendments. Mr. Grampp requested additional information regarding proposed budget amendments. He noted that he has not seen a copy of the proposed budget. He inquired as to the proposed administrative budget. Chairperson Farnworth explained that the initial administrative budget is set at 18% with a decrease over a period of years. Boardmember Riley clarified that the administrative budget is set higher for several years to accommodate planning and development costs associated with infrastructure projects. Mr. Grampp requested that Anderson Development be provided with documentation regarding future bond or budget issues. Ms. Lewis agreed to provide Anderson Development with documents for future meetings with the permission of the Board.

The Board discussed future RDA budgets which will include greater detail regarding specific revenues and expenditures including project costs, administrative fees and cost sharing for specific staff positions as well as affordable housing project requirements. Boardmember Gillespie noted that the three main objectives of the RDA are to attract business to the area, construct necessary infrastructure and site remediation. He requested clarification regarding the effect of the objectives on housing projects. Mr. Church explained that the Board has some discretion in applying funding to housing projects. Ms. Lewis stated that infrastructure which supports moderate income housing projects can be applied to housing requirements associated with the RDA.

Chairperson Farnworth called for any additional public comment. There was no public comment. He called for further comments or discussion from the Board. Hearing none, he called for a motion.

BOARDMEMBER GILLESPIE MOVED TO CLOSE THE PUBLIC HEARING.

BOARDMEMBER FERNANDEZ SECONDED THE MOTION. ALL PRESENT VOTED IN FAVOR. THE MOTION CARRIED UNANIMOUSLY.

BOARDMEMBER RILEY MOVED TO APPROVE THE AMENDED VINEYARD REDEVELOPMENT AGENCY BUDGET FOR FISCAL YEAR 2011-2012. BOARDMEMBER FERNANDEZ SECONDED THE MOTION. ALL PRESENT VOTED IN FAVOR. THE MOTION CARRIED UNANIMOUSLY.

3.2 – Discussion – Vineyard Redevelopment Agency Tax Increment Revenue Bonds, Series 2012. *The Board will discuss purchase proposals for the Tax Increment Revenue Bonds, prioritization of projects in the RDA, and related matters.*

Mr. Church explained that appointment of a Trustee is required as part of the bonding process. Bond payments are made to the trustee who then distributes payments to the bondholder. The trustee also holds any reserve funds related to the bond. Two trustee proposals have been submitted for consideration – Zions Bank and US Bank.

Chairperson Farnworth inquired as to whether it would be appropriate to work with US Bank as the trustee due to the fact that Zions Bank is the bondholder. Ms. Lewis explained that functions of the bondholder and the trustee are completely separate, and that it is not necessary to contract with another entity. She stated that an upfront fee and an annual fee will be paid to the trustee. She noted that the fee will be paid from the RDA administrative budget and will be paid as part of the annual bond payment.

Following further discussion, the Board felt that comparable service would be provided by either of the trustee options. They felt that due to the cost savings, it would be appropriate to contract with US Bank to act as bond trustee.

The Board went on to discuss specific uses of bond revenues, as well as future bonding potential as tax increment revenue increases. Ms. Lewis reviewed terms of bond purchase

proposals which have been received and discussed fixed rate as opposed to variable rate options. She observed that the final interest rate has not been established, but that an adjusted rate between 6% and 8% is anticipated. She explained that bond counsel will prepare the bond documents, after which the pricing committee will give final review prior to the bond closing.

Chairperson Farnworth inquired as to issues which should be discussed at the next RDA Board meeting. Ms. Lewis suggested that prioritization of the project list be discussed in greater detail during the next meeting. The Board went on to discuss specific projects, including road width from 400 North to 800 North. At this time, the Board anticipates completing the full road width to 400 North, with a minimum of half width to 800 North. Depending on construction costs, full road width improvements as well as curb, gutter, sidewalk and street scape improvements will be completed as far as possible. The Board also discussed installation of dry utility infrastructure in conjunction with road improvements. Projects will be discussed in greater detail at upcoming meetings.

ADJOURNMENT – The meeting of the Vineyard Redevelopment Agency was adjourned by consensus at 9:10 p.m. The RDA Board will schedule future meetings as necessary.

MINUTES APPROVED ON – May 9, 2012

CERTIFIED CORRECT BY _____
D. CULLIMORE, DEPUTY RECORDER